

# Staff Summary Report



To: Mayor & City Council  
Through: City Manager

Agenda Item Number 40  
Meeting Date 05/10/01

**SUBJECT:** CITY OF TEMPE RESOLUTION NO. 2001.17

**PREPARED BY:** Michael J. Williams, Building Safety Director (480-350-8666)  
Nancy Woods, Management Assistant I (480-350-8946)

**REVIEWED BY:** Dave Fackler, Development Services Manager (480-350-8530)

**BRIEF:** This is a public hearing for a resolution to modify the fee schedule for building permits.

**COMMENTS:** **FEES (MISCELLANEOUS) (0210-05) RESOLUTION NO. 2001.17.** This is a public hearing for a resolution to modify the schedule of fees for building, mechanical, electrical, and plumbing permits and associated plan review fees.

**Document Name:** (20010510bldgnw01 Supporting Documents: YES

**SUMMARY:** Resolution No. 2000.17 would revise the building permit and plan review fees to that contained within the 1997 Uniform Building Code. Other jurisdictions such as Cave Creek, Fountain Hills, Goodyear, Maricopa County, Oro Valley, Pima County, Peoria, Surprise, and Tucson have already adopted this building permit and plan review fee schedule. These schedules have not been updated since June 1991. Currently, our fees are based on the 1985 Uniform Building Code schedule.

**FISCAL NOTE:** It is estimated that this fee change will generate an additional \$800,000 of revenue annually.

**RECOMMENDATION:** That Resolution No. 2001.17 be adopted

**ATTACHMENTS:**

1. Memo dated 5/2/01
2. Comparison of Revenue to Valuation Ratios
3. Single Family Residential Impact Fees
4. Resolution No. 2001.17

## Memorandum

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**Development Services Department**  
**Building Safety Division**

**DATE:** May 2, 2001

**TO:** Mayor and City Council

**FROM:** Dave Fackler, Development Services Manager  
Michael J. Williams, Building Safety Director

**SUBJECT:** Development Services Building Safety Division Fee Schedule

As indicated during the budget process, the city should consider modifying its building permit, plan review and related fees schedules. These schedules have not been updated since June 1991. Currently, our fees are based on the 1985 Uniform Building Code schedule.

Resolution No. 2000.17 would revise the building permit and plan review fees to that contained within the 1997 Uniform Building Code. Other jurisdictions such as Cave Creek, Fountain Hills, Goodyear, Maricopa County, Oro Valley, Pima County, Peoria, Surprise, and Tucson have already adopted this building permit and plan review fee schedule. This proposed resolution would also reduce our current Construction Valuation adjustment factor from .92 to .82, which is the current adjustment factor for Arizona as published by the International Conference of Building Officials (ICBO). This is the same adjustment factor used by the other jurisdictions that have adopted the 1997 UBC fee schedules.

This ordinance would also adjust the Mechanical, Electrical and Plumbing permit fees to be more in line with other communities.

In order to provide a comparison with other cities, a revenue/valuation ratio was prepared for fiscal year 1999/2000. Tempe presently ranks 6th out of 8 in this comparison. It should be noted that several of the other valley jurisdictions are also preparing to propose increased building permit and associated fees in the next few months. If a comparison were made after these increases, we would maintain our ranking within the middle of the range.

It should be noted that most of the other jurisdictions also collect substantial impact fees as a part of their permit issuance process, while Tempe's are minimal. A matrix of the current impact fees has been provided.

Staff has discussed the proposed fee modifications with the Multihousing Association, the Home Builders Association, and the Valley Partnership. These organizations have stated that they will not oppose the proposed fee modifications.

It should be noted that we have not increased permit or plan review fees in 10 years and we are attempting to adopt the same schedule that other jurisdictions that have already adopted, the 1997 UBC fees schedule.

We are also planning to increase our services to our DSD customers. One proposal is to hire an ADA plan reviewer/inspector to perform quality review for accessibility including Fair Housing guidelines. We are also proposing to change some of our temporary positions in the DSD to permanent positions to reduce employee turnover and training requirements. This will help us increase our customer services as well.

The revenue projection for the Building Safety Division in FY 00/01 is \$2,210,318 while its operating cost is estimated to be \$2,800,000. The division's revenue projections for FY 01/02 and 02/03, considering this fee increase and no growth in construction activity, is \$2,982,850. The Development Services Department as a whole does not generate enough revenue to cover operating costs. For example, in FY 99/00 the department's total revenue was \$2,957,554 while operating expenses were \$6,029,223.

A committee has been formed in the valley to develop a common method of assessing Building Permit and Plan review fees. Tempe intends to be active in these discussions to develop a more uniform fee assessment methodology across the valley. It is recommended that Tempe review its fee schedules every three years.

# COMPARISON OF REVENUE TO VALUATION RATIOS

1999-00 ACTUAL

JURISDICTION	CONSTRUCTION VALUATION	REVENUE	REVENUE/\$1,000 VALUATION
GOODYEAR	210,042,931	2,897,267	13.79
SCOTTSDALE	1,034,511,305	14,083,733	13.61
TUCSON	593,807,929	6,513,767	10.97
PEORIA	526,669,833	5,006,283	9.51
PHOENIX	2,093,264,649	17,089,754	8.16
TEMPE	317,142,700	2,324,231	7.33
MESA	1,136,442,471	7,875,621	6.93
GLENDALE	280,082,941	1,196,617	4.27

# SINGLE FAMILY RESIDENTIAL IMPACT FEES

City / County	Effective Date	Water Resources	Water System	Wastewater Treatment	Sewer	Streets	Police	Fire	Library	Parks & Trails	Other	Total
Avondale	Dec-98	750	750	-	1,900	400	145	250	300	300	700	5,495
Chandler	Jan-00	373	1,312	1,091	-	1,455	190	119	52	584	428	5,604
Gilbert	May-99	235	1,111	2,314	-	86	47	127	-	705	178	4,803
Glendale	Dec-00	-	1,566	-	1,884	542	289	311	452	1,094	924	7,062
Goodyear	Jan-99	-	-	-	150	148	123	211	-	57	118	807
Mesa	Nov-98	-	901	1,020	-	-	104	108	322	559	59	3,073
Peoria	Jan-00	473	3,379	2,320	-	4,052	182	168	281	1,508	927	13,290
Phoenix	May-00	-	2,324	1,285	-	2,236	111	78	252	1,868	507	8,661
Queen Creek	Oct-99	-	-	1,650	1,029	-	185	-	616	3,229	600	7,309
Scottsdale	Jul-00	1,050	4,010	-	2,968	-	-	-	-	-	-	8,028
Surprise	Jul-00	824	1,770	-	2,236	-	137	308	-	1,356	878	7,509

**RESOLUTION NO. 2001.17**

**RESOLUTION OF THE CITY COUNCIL OF THE  
CITY OF TEMPE, ARIZONA, AMENDING THE  
SCHEDULE OF FEES AND CHARGES FOR  
BUILDINGS AND BUILDING REGULATIONS.**

BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF TEMPE,  
ARIZONA, that the schedule of fees and charges for permit fees be amended as follows:

**BUILDINGS AND BUILDING REGULATIONS**

Appeal Filing Fees

- 8-223 Filing fee for appealing a decision of the development services director applying to the technical provisions of the building code or to an alternate material or method of construction.

Each variance for a single building or the same  
variance for multiple buildings  
or the same lot, **INCLUDING HISTORIC BUILDINGS** .....~~\$75.00~~ **100.00**

Appeal from a determination of the development  
services director .....~~\$75.00~~ **100.00**

Approval of alternate materials or methods  
of construction.....~~\$150.00~~ **200.00**

- 8-243 Filing fee for appealing a decision of the development services director applying to the technical provisions of the electrical code or to an alternate material or method of construction.

Each variance for a single building or the same  
variance for multiple buildings or the same lot,  
**INCLUDING HISTORIC BUILDINGS** .....~~\$75.00~~ **100.00**

Appeal from a determination of the development  
services director .....~~\$75.00~~ **100.00**

Approval of alternate materials or methods  
of construction.....~~\$150.00~~ **200.00**

8-278 Filing fee for appealing a decision of the development services director applying to the technical provisions of the plumbing and mechanical code or to an alternate material or method of construction.

Each variance for a single building or the same  
variance for multiple buildings or the same lot,  
**INCLUDING HISTORIC BUILDINGS** .....~~\$75.00~~ **100.00**

Appeal from a determination of the development  
services director .....~~\$75.00~~ **100.00**

Approval of alternate materials or methods  
of construction.....~~\$150.00~~ **200.00**

Table 1-A — Building Permit Fees

FOR ISSUING EACH PERMIT	\$10.00
IN ADDITION, FOR: TOTAL VALUATION	FEE
\$1.00 to \$500.00	<del>\$15.00</del> <b>23.50</b>
\$501.00 to \$2,000.00	<del>\$15.00</del> <b>23.50</b> for the first \$500.00 plus <del>\$2.00</del> <b>3.05</b> for each additional \$100.00 or fraction thereof, to and including \$2,000.00
\$2,001.00 to \$25,000.00	<del>\$45.00</del> <b>69.25</b> for the first \$2,000.00 plus <del>\$9.00</del> <b>14.00</b> for each additional \$1,000.00 or fraction thereof, to and including \$25,000.00
\$25,001.00 to \$50,000.00	<del>\$252.00</del> <b>391.75</b> for the first \$25,000.00 plus <del>\$6.50</del> <b>10.10</b> for each additional \$1,000.00 or fraction thereof, to and including \$50,000.00
\$50,001.00 to \$100,000.00	<del>\$414.50</del> <b>643.75</b> for the first \$50,000.00 plus <del>\$4.50</del> <b>7.00</b> for each additional \$1,000.00 or fraction thereof, to and including \$100,000.00
\$100,001.00 to \$500,000.00	<del>\$639.50</del> <b>993.75</b> for the first \$100,000.00 plus <del>\$3.50</del> <b>5.60</b> for each additional \$1,000.00 or fraction thereof, to and including \$500,000.00
\$500,001.00 to \$1,000,000.00	<del>\$2,039.50</del> <b>3,233.75</b> for the first \$500,000.00 plus <del>\$3.00</del> <b>4.75</b> for each additional \$1,000.00 or fraction thereof, to and including \$1,000,000.00
\$1,000,001.00 and up	<del>\$3,539.50</del> <b>5,608.75</b> for the first \$1,000,000.00 plus <del>\$2.50</del> <b>3.65</b> for each additional \$1,000.00 or fraction thereof
<b>Other Inspections and Fees:</b>	
1. Inspections outside of normal business hours: .....\$60.00 per hour (minimum charge - two hours)	
2. Reinspection fees assessed under provisions of § 108.8: .....\$45.00 per hour.	
3. Inspections for which no fee is specifically indicated: .....\$45.00 per hour (minimum charge: one-half hour)	
4. Additional plan review required by changes, additions or revisions to approved plans: ..... <del>\$30.00</del> <b>60.00</b> per hour (minimum charge - one-half hour)	

**NOTE:** Permit fees are assessed by valuation per the most current data published by ICBO applying the current regional modifier for Arizona.



Excavating and Grading

8-300

Table No. 33-A—Grading Plan Review Fees

[Table No. 33-A is hereby amended as follows]

50 cubic yards or less .....	No Fee
51 to 100 cubic yards .....	<del>\$10.00</del> <b>15.00</b>
101 to 1000 cubic yards .....	<del>15.00</del> <b>22.50</b>
1001 to 10,000 cubic yards .....	<del>20.00</del> <b>30.00</b>
10,001 to 100,000 cubic yards .....	<del>\$20.00</del> <b>30.00</b> for the first 10,000 cubic yards plus <del>\$10.00</del> <b>15.00</b> for each additional 10,000 cubic yards or fraction thereof.
100,001 to 200,000 cubic yards .....	<del>\$110.00</del> <b>165.00</b> for the first 100,000 cubic yards plus <del>\$6.00</del> <b>9.00</b> for each additional 10,000 cubic yards or fraction thereof.
200,001 cubic yards or more.....	<del>\$170.00</del> <b>225.00</b> for the first 200,000 cubic yards plus <del>\$3.00</del> <b>4.50</b> for each additional 10,000 cubic yards or fraction thereof.

Other Fees:

Additional plan review required by changes, additions or revisions  
to approved plans (minimum charge - one-half hour)..... ~~\$15.00~~ **30.00** per hour

Table No. 33-B—Grading Permit Fees

[Table No. 33-B is hereby amended as follows:]

50 cubic yards or less .....	<del>\$10.00</del> <b>15.00</b>
51 to 100 cubic yards .....	<del>\$15.00</del> <b>22.50</b>
101 to 1000 cubic yards .....	<del>\$15</del> <b>22.50</b> for the first 100 cubic yards plus <del>\$7</del> <b>10.50</b> for each additional 100 cubic yards or fraction thereof.
1001 to 10,000 cubic yards .....	<del>\$78</del> <b>117.00</b> for the first 1000 cubic yards plus <del>\$6</del> <b>9.00</b> for each additional 1000 cubic yards or fraction thereof.
10,001 to 100,000 cubic yards .....	<del>\$132</del> <b>198.00</b> for the first 10,000 cubic yards plus <del>\$27</del> <b>40.50</b> for each additional 10,000 cubic yards or fraction thereof.
100,001 cubic yards or more.....	<del>\$375</del> <b>562.50</b> for the first 100,000 cubic yards plus <del>\$15</del> <b>22.50</b> for each additional 10,000 cubic yards or fraction thereof.

Other Inspections and Fees:

1. Inspections outside of normal business hours (minimum charge - two hours) ..... ~~\$15.00~~ **30.00** per hour
2. Reinspection fee assessed under provisions of § 108.8 ..... ~~\$15.00~~ **30.00** each
3. Inspections for which no fee is specifically indicated (minimum charge—one-half hour) ..... ~~\$15.00~~ **30.00** per hour

The fee for a grading permit authorizing additional work to that under a valid permit shall be the difference between the fee paid for the original permit and the fee shown for the entire project.

8-426

Table No. 3-A — Electrical Permit Fees

[Section 304.1 is hereby amended as follows]

For issuing each permit ..... ~~\$10.00~~ **12.50**

In Addition, for

Each service entrance 0 - 200 amps ..... ~~7.00~~ **9.00**  
201 - 1000 amps ..... ~~11.00~~ **14.00**  
Over 1000 amps ..... ~~22.00~~ **30.00**

Each branch circuit or feeder ..... ~~4.50~~ **5.50**

Addition to branch circuit or feeder ..... ~~4.50~~ **5.50**

Construction service ..... ~~7.00~~ **15.00**

Temporary Use ..... ~~15.00~~ **15.00**

Annual permit ..... ~~112.50~~ **150.00**

Other Inspections and Fees:

1. Inspections outside of normal business hours (per hour) ..... ~~\$60.00~~  
(minimum charge-two hour)
2. Reinspection fees assessed under provisions of § 305.5 (per hour) ..... ~~\$45.00~~
3. Inspections for which no fee is specifically indicated (per hour) ..... ~~\$45.00~~  
(minimum charge - one-half hour)

Table No. 3-A — Mechanical Permit Fees

[Table No. 3-A is hereby amended as follows:]

For issuance of each permit .....\$10.00

In addition, for:

Installation, Relocation or Replacement of  
Furnace or burner (forced air  
or gravity type), including attached  
ducts and vents:

Up to and including 100,000 Btu/h or 29 KW.....~~9.00~~ **11.00**Over 100,000 Btu/h or 29 KW .....~~11.00~~ **14.00**Floor furnace, including vent .....~~9.00~~ **11.00**Heater (suspended, recessed wall,  
or floor-mounted unit heaters).....~~9.00~~ **11.00**

Refrigeration and Heat Pump:

To and including 3 H.P.  
(or Tons Refrigeration).....~~9.00~~ **11.00**Over 3 - to and including 15 H.P.  
(or Tons Refrigeration).....~~16.50~~ **20.00**Over 15 - to and including 30 H.P.  
(or Tons Refrigeration).....~~22.50~~ **28.00**Over 30 - to and including 50 H.P.  
(or Tons Refrigeration).....~~33.50~~ **40.00**Over 50 H.P. (or Tons Refrigeration) .....~~56.00~~ **70.00**

Absorption System:

To and including 100,000 Btu/h or 29 KW.....~~9.00~~ **11.00**Over 100,000 or 29 KW to and  
including 500,000 Btu/h or 146KW .....~~16.50~~ **20.00**Over 500,000 or 146 KW to and  
including 1,000,000 Btu/h or 292 KW .....~~22.50~~ **30.00**

Over 1,000,000 or 292 KW to and including 1,750,000 Btu/h or 512 KW .....	<del>33.50</del> 40.00
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Over 1,750,000 Btu/h or 512 KW .....	<del>56.00</del> 70.00
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Air Handling Unit, including attached ducts:

To and including 10,000 c.f.m. ....	<del>6.50</del> 8.00
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Over 10,000 c.f.m. ....	<del>11.00</del> 14.00
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**NOTE:** Fee shall not apply to an air handling unit which is a portion of a factory assembled appliance, comfort cooling unit, evaporative cooler or absorption unit for which a fee is required elsewhere in this schedule.

Evaporative Cooler (other than portable) .....	<del>6.50</del> 8.00
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Ventilation fan (connected to a single duct) .....	<del>4.50</del> 6.00
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Ventilation System.....	<del>6.50</del> 8.00
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**NOTE:** Fee shall not apply to a ventilation system which is a portion of a factory assembled heating or air-conditioning system for which a fee is required elsewhere in this schedule.

Appliance Vent .....	<del>4.50</del> 6.00
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**NOTE:** Fee shall not apply to an appliance vent which is a portion of a factory assembled appliance for which a fee is required elsewhere in this schedule.

Hood served by mechanical exhaust including ducts .....	<del>6.50</del> 8.00
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Incinerator:

Domestic .....	<del>11.00</del> 14.00
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Commercial or Industrial .....	<del>45.00</del> 56.00
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Appliance or piece of equipment regulated by the Mechanical Code, but not classed in other appliance categories or for which no other fee is listed in this schedule.....	<del>6.50</del> 8.00
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Process Piping:

Hazardous process piping system:

One to four outlets .....	<del>4.00</del> 5.00
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Five or more outlets, per outlet.....	<del>1.00</del> 2.00
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Nonhazardous process piping system:

One to four outlets .....	<del>2.00</del> 3.00
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Five or more outlets, per outlet.....	<del>0.50</del>	<b>1.00</b>
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Repair of, Alteration of, or Addition to:

Heating appliance, refrigeration unit, comfort cooling unit, absorption unit or comfort heating, cooling absorption or evaporative cooling system, including controls .....	<del>9.00</del>	<b>11.00</b>
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Other Inspections and Fees:

- |   |                  |  |
|---|------------------|--|
| 1. Inspections outside of normal business hours (per hour).....                     | <del>60.00</del> |  |
| (minimum charge - two hours)  |                  |  |
| 2. Reinspection fees assessed under provisions of<br>Section 305(f) (per hour)..... | <del>45.00</del> |  |
| 3. Inspections for which no fee is specifically indicated (per hour).....           | <del>45.00</del> |  |
| (minimum charge - one-half hour)  |                  |  |

8-744(b)

Table No. 3-A — Plumbing Permit Fees

Schedule of Fees

For Issuing Each Permit.....	<del>\$10.00</del>	
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In Addition, for:

Each plumbing fixture or trap or set of fixtures on one trap (including water, drainage piping and backflow protection therefor) .....	<del>4.50</del>	<b>6.00</b>
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Each building sewer and each mobile home or trailer space sewer .....	<del>11.00</del>	<b>14.00</b>
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Rainwater system - per drain (inside building) .....	<del>4.50</del>	<b>6.00</b>
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Each cesspool 11.00

Each private sewage disposal system .....	<del>22.50</del>	<b>28.00</b>
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Each water heater and/or vent .....	<del>4.50</del>	<b>6.00</b>
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Each gas piping system of one to four outlets .....	<del>4.50</del>	<b>6.00</b>
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Each gas piping system of five or more, per outlet.....	<del>1.00</del>	<b>2.00</b>
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Each industrial waste pretreatment interceptor, including its trap and vent, excepting kitchen-type grease interceptors functioning as fixture traps.....	<del>4.50</del>	<b>6.00</b>
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Installation, alteration or repair of water piping and/or water treating equipment.....	<del>4.50</del>	<b>6.00</b>
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Repair or alteration of drainage or vent piping.....	<del>4.50</del> 6.00
Each lawn sprinkler system on any one meter, including backflow protection devices therefor.....	<del>4.50</del> 6.00
Atmospheric-type vacuum breakers:	
One to four .....	<del>4.50</del> 6.00
Five or more, each.....	<del>1.00</del> 2.00
Each backflow protective device other than atmospheric-type vacuum breakers:	
2 inch diameter and smaller .....	<del>7.50</del> 9.00
Over 2 inch diameter.....	<del>15.00</del> 18.00

Other Inspections and Fees:

1. Inspections outside of normal business hours (per hour) .....60.00  
(minimum charge - two hours)
2. Inspections for which no fee is specifically indicated (per hour).....45.00  
(minimum charge - one-half hour)

PASSED AND ADOPTED BY THE CITY COUNCIL OF THE CITY OF TEMPE,  
ARIZONA, this \_\_\_\_\_ day of \_\_\_\_\_, 2001.

\_\_\_\_\_  
Mayor

ATTEST:

\_\_\_\_\_  
City Clerk

APPROVED AS TO FORM:

\_\_\_\_\_  
City Attorney

\_\_\_\_\_  
Development Services Director